

Message Text

CONFIDENTIAL

PAGE 01 LIBREV 02208 01 OF 02 111229Z

ACTION AF-10

INFO OCT-01 EUR-12 ISO-00 CAB-02 CIAE-00 COME-00
DODE-00 DOTE-00 EB-08 INR-10 NSAE-00 FAA-00 L-03
PM-05 NSC-05 SP-02 SS-15 AID-05 FRB-03 ICA-11
TRSE-00 XMB-02 OPIC-03 OMB-01 H-01 IO-13 /112 W
-----043460 111654Z /45

R 101600Z AUG 78

FM AMEMBASSY LIBREVILLE

TO SECSTATE WASHDC 1515

INFO AMEMBASSY MONROVIA

AMEMBASSY PARIS

C O N F I D E N T I A L SECTION 1 OF 2 LIBREVILLE 2208

E.O. 11652: GDS

TAGS: EAIR, GB

SUBJECT: BOEING 747

REF: STATE 189084, PARIS 22909, STATE 187430, LIBREVILLE 1972
(NOTAL)

1. MIN. STATE FOR CIVIL AVIATION IN PRESIDENCY, JEAN-FRANCOIS NTOUTOUME, ASKED ME COME BY HIS OFFICE MORNING AUG 10. SUBJECT WAS BOEING 747. NTOUTOUME STRESSED HE SPEAKING ON BEHALF OF PRESIDENT BONGO. HE WANTED HELP ON SPEEDING UP FINANCING AND ON REGISTRATION OF AIRCRAFT. NO MENTION OF EXIMBANK TURNDOWN.

2. COMING ON STRONG, NTOUTOUME COVERED CONSIDERABLE GROUND BEFORE HE GOT TO POINT OF MEETING. RE BOEING ARRANGEMENT ITSELF, HE TOLD ME (A) AIRCRAFT WAS IN FRANCE BEING FITTED OUT, (B) HE WAS OPTIMISTIC THAT FINANCING BY BOEING/GREYHOUND/GENERAL ELECTRIC/FORD SYNDICATE WAS GOING WELL, (C) HE REITERATED BONGO'S STRONG WISH TO HAVE BOEING-747, WHICH HE ADMITTED WAS PARTLY

FOR PRESTIGE PURPOSES ("A MATTER OF SOVEREIGNTY"), AND (D) HE BESPOKE BONGO'S STRONG INTEREST
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LIBREV 02208 01 OF 02 111229Z

IN INCREASING ECONOMIC TIES WITH USA (CITING RECENT APPOINTMENT OF AMERICAN TO POST OF ECONOMIC COUNSELOR IN PRESIDENT, AND HINTING THAT BONGO WAS THINKING OF SECOND ONE). HE REVIEWED LEASE/PURCHASE ARRANGEMENT WITH BOEING GROUP, DETAILS OF WHICH DEPARTMENT ALREADY KNOWS, HE SPOKE FRANKLY ABOUT GABON'S CURRENT ECONOMIC PROBLEMS AND REITERATED GOG'S COMMITMENT TO IMF STABILIZATION PLAN,

STATING PARENTHETICALLY THAT THEY WOULD HAVE TO DISCUSS
WITH IMF WHAT WILL BE SHORTFALL OF SOME 20 BILLION CFA
IN PROJECTED INCOME BY END OF THIS CALENDAR YEAR AS RESULT
OVER-ESTIMATE OF CUSTOMS RECEIPTS BY BOTH IMF AND GOG,
AND HE STATED THAT GOG HAS ALREADY PAID BOEING DOLS 20
MILLGVN WHICH WAS THEIR PART OF DEAL. MONEY, HOWEVER, HAD
COME FROM POSTPONEMENT OF THER PRIORITIES, THUS PLACING
757 ARRANGEMENT OUT SIDE OF IMF AGREEMENT (TWO POINTS THERE--
HE WANTED TO SURE I WAS AWARE OFHQHAT, BUT HE ALSO
WANTED ME TO UNDERSTAND PRIORITY WHICH BONGO ACCORDS 747).

3. HE THEN TOLD ME THAT I COULD HAVE NO IDEA OF PRESSURES
GOG NOW FOUND ITSELF UNDER TO PURCHASE SUBSTITUTE AIRCRAFT,
SPECIFICALLY AIRBUS. "SOME OF THEIR FRIENDS HAVE BEEN
DECEIVING THEM" BY CRITICIZING GOG DECISION PURCHASE 747,
THEN TURNING AROUND AND TRYING SELL THEM SUBSTITUTE.
CHIEF CULPRIT APPARENTLY IS UTA, WHICH HAS GONE SO FAR
AS TO SUGGEST THAT WHILE 747 WAS BAD DEAL FOR GABON, UTA
WAS THINKING OF OPERATING 747 OF ITS OWN ON PARIS-UFNO-
LIBREVILLE ROUTE. FURTHERMORE, GOG WAS PURCHASING
OUTDATED AIRCDAFT IN 737, ACCORDING TO THESE FRIENDS.
GOG WAS NONETHELESS STANDING FPRM IN ITS DETERMINATION
ACQUIRE BOEINGS, WHICH AD KIND OF RANGE GOG WANTED.
NTOUTOUME WAS ALSO CLEARLY ANNOYED. SINCE LEASED 747 HAD
BEEN RETURNED TO SAUDI ARABIAN AIRLINES, GABON'S SHARE
OF TRAFFIC AND FREIGHT BETWEEN LIBREVILLE AND PARIS HAD
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LIBREV 02208 01 OF 02 111229Z

DROPPED FROM 56 TO 43 PERCENT.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 LIBREV 02208 02 OF 02 111612Z

ACTION AF-10

INFO OCT-01 EUR-12 ISO-00 CAB-02 CIAE-00 COME-00
DODE-00 DOTE-00 EB-08 INR-10 NSAE-00 FAA-00 L-03
PM-05 NSC-05 SP-02 SS-15 AID-05 FRB-03 ICA-11
TRSE-00 XMB-02 OPIC-03 OMB-01 H-01 IO-13 /112 W
-----048849 111655Z /42

R 101600Z AUG 78

FM AMEMBASSY LIBREVILLE

TO SECSTATE WASHDC 1516
INFO UMBASSY MONROVIA 139
AMEMBASSY PARIS

C O N F I D E N T I A L SECTION 2 OF 2 LIBREVILLE 2208

4. FINALLY, HE GOT AROUND TO POINT. WE (USG) HAD HELPED GOG CONSIDERABLY IN BCNGING 747 SITUATION TO WHERE IT IS NOW. PRESIDENT THEREFORE HOPED WE COULD URGE BOEING SYNDICATE TO COMPLETE FINANCING ARRANGEMENTS ASAP SO THAT HE (NTOUTOUME) COULD PROCEED TO NEW YORK AND SIGN FINAL LEASE/PURCHASE AGREEMENT. SUGGESTED THAT WHILE I WOULD PASS ON HIS REQUEST, BOEING, ET AL, WERE PRIVATE AMERICAN COMPANIES THAT WERE UNLIKELY TO BE SUSCEPTIBLE TO USG PRESSURE IN MATTERS OF THIS KIND, HE AGREED, BUT HOPED I WOULD TRY. IN ADDITION, HE WANTED US TO REASSURE BOEING THAT GOG'S CURRENT PROBLEM WITH BENIN DOES NOT REFLECT ANY POLITICAL INSTABILITY IN GABON. SECONDLY, THEY WANTED (OR BOEING WANTED) AIRCRAFT TO BE REGISTERED IN US WITH FAA. SOMEONE HAD PROPOSED FRENCH REGISTRATION SINCE AIRCRAFT WILL BE OPERATED BY AIR FRANCE, BUT PRESIDENT THOUGHT THIS BAD IDEA. GOG UNDERSTOOD THAT US REGISTRATION WAS POSSIBLE (WE HAD SENT THEM LETTER QUOTING STATE 187430), BUT THAT IT WOULD TAKD CONSIDERABLE TIME. WOULD I THEREFORE PLEASE DO WHAT I COULD WITH FAA TO SPEED UP PROCESS? I SAID I WOULD PASS THAT REQUEST ON AS WELL. THEY ENVISION, INCIDENTALLY, THAT IF NECESSARY TO SATISFY REGISTRATION REQUIREMENTS, CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LIBREV 02208 02 OF 02 111612Z

AIR FRANCE MAY OCCASIONALLY OPERATE 747 AS PART OF THEIR FLEET ON TRANSATLANTIC FLIGHTS.

5. COMMENT: NTOUTOUME WAS CERTAINLY FORCEFUL IN HIS PRESENTATION. IMPRESSIONS HE WANTED TO CREATE WERE (A) GOG'S (PARTICULARLY BONGO'S) STRONG DESIRE DEVELOP ECONOMIC TIES WITH US, (B) GOG'S DESIRE TO CONSUMAM 747 ARRANGEMENT ASAP, (C) BONGO'S PERSONAL COMMITMENT TO ACQUIRING 747, (C) GOG "DISILLUSION" WITH OTHER FRIENDS WHO WERE TURNING OUT TO BE COMPETITORS WAITING TO SELL AIRCRAFT, (E) THAT WE NONETHELESS UNDERSTOOD THERE WAS STRONG COMPETITION, AND (F) THAT THEY HAD EVERY CONFIDENCE SYNDICATE FINANCING WOULD GO THROUGH BUT HOPED IT COULD BE DONE ASAP (REVERSE MAY HAVE BEEN ACTUALLY TRUE-- THEY MAY FEAR THAT FINANCING WILL NOT GO THROUGH). THERE WAS NO REFERENCE WHATSOEVER TO EXIMBANK, WHICH I HAD THOUGH WOULD TURN OUT TO BE MAIN SUBJECT OF HIS PITCH.

6. ACTION REQUESTED, BONGO'S STRONG PERSONAL INTEREST IN ACQUIRING 747 WILL NOT BE NEWS TO DEPARTMENT.

OBTAINING, HOWEVER, IT STILL EXISTS, AND TO EXTENT WE
CANNOT THEREFORE HOPE DEPARTMENT WILL LOOK FOR WAYS THAT
WE MIGHT BE HELPFUL TO GABON. ACCORDINGLY, IT WOULD
BE APPRECIATED IF DEPT AS MINIMUM WOULD CHECK AGAIN WITH
BOEING RE STATUS OF ARRANGEMENT, AND TELL THEM OF GOG'S
STRONG DESIRE TO SIGN AGREEMENT SOONEST AS CONVEYED TO
ME. WHILE MENTION OF POTENTIAL COMPETITION WAS OF
COURSE DELIBERATE FOR OUR BENEFIT, I WOULD NONETHELESS
HAVE NO OBJECTION IF DEPARTMENT WERE TO DROP WORD IN
CONVERSATION WITH BOEING. RE US REGISTRATION, I WOULD
ASSUME THIS WOULD REQUIRE ACTION BY BOEING, SINCE
BOEING WOULD BE RETAINING TITLE OF AIRCRAFT AND
WOULD ONLY BECOME PROBLEM ONCE LEASE/PURCHASE ARRANGEMENT
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LIBREV 02208 02 OF 02 111612Z

HAD BEEN RESOLVED. IF THAT POINT IS REACHED, I WOULD
THEN ASK DEPARTMENT TO DO WHAT IT COULD TO EXPEDITE REGIS-
TRATION. IN MEANTIME, I WOULD BE GRATEFUL FOR ANY
ADDITIONAL INFO THIS SUBJECT THAT I COULD PASS ON TO
GABONESE. RE BENINYE PROBLEM (SHOULD BOEING RAISE IT),
I TEND TO AGREE WITH NTOUTOUME. PROBLEMS IS MOST UNFOR-
TUNATE, BUT IT WILL SOONER OR LATER BE RESOLVED, AND,
IN ANY CASE, IS UNLIKELY HAVE MUCH IMPACT ON GABONESE
POLITICAL STABILITY (AND HAS NOT THUS FAR). TIENKEN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AIRCRAFT SALES
Control Number: n/a
Copy: SINGLE
Draft Date: 10 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978LIBREV02208
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780329-0054
Format: TEL
From: LIBREVILLE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780879/aaaacnoc.tel
Line Count: 198
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 01cf5b65-c288-dd11-92da-001cc4696bcc
Office: ACTION AF
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 STATE 189084, 78 PARIS 22909, 78 STATE 187430, 78 LIBREVILLE 1972
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 22 apr 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1780171
Secure: OPEN
Status: NATIVE
Subject: BOEING 747
TAGS: EAIR, GB, BOEING
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/01cf5b65-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014